

MEMO ENDORSED

UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF NEW YORK

SECURITIES AND EXCHANGE
COMMISSION,

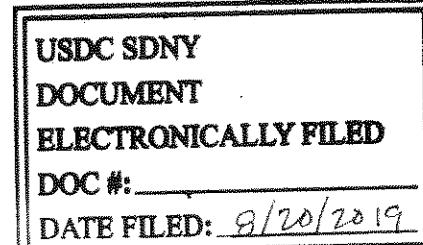
Plaintiff,

vs.

LONGFIN CORP, *et al.*,

Defendants.

Case No. 1:19-cv-05296-DLC



PLAINTIFF'S RESPONSE TO THE COURT'S AUGUST 15, 2019 ORDER

On August 15, 2019, the Court issued an Order directing Plaintiff Securities and Exchange Commission ("SEC") to either file a motion for default judgment against Defendant Longfin Corp. ("Longfin") or show cause why the SEC's claims against Longfin should not be dismissed for failure to prosecute. The SEC submits this response in answer to the Court's Order and respectfully requests an additional 14 days, until September 6, 2019, to file a motion for default judgment against Longfin. In support of this response and request, the SEC states as follows:

1. The SEC filed the above-captioned action against Longfin and Defendant Venkata Meenavalli on June 5, 2019. *See* Complaint, ECF No. 1.
2. The SEC promptly served its Complaint on Longfin on June 10, 2019. *See* Affidavit of Service, ECF No. 10.
3. Because it failed to timely answer, the SEC sought a clerk's certificate of default against Longfin on August 5, 2019, which was issued the same day. *See* Clerk's Certificate of Default, ECF No. 18.
4. Since the filing of the Complaint, the SEC staff have been discussing with counsel for Defendant Meenavalli the possible global settlement of the claims advanced against Defendant

Meenavalli in this matter and the SEC's prior, related matter against Longfin, Defendant Meenavalli, and others. *See SEC v. Longfin Corp., et al.*, Case No. 1:18-cv-02977, Letter Motion, ECF No. 112. These discussions have been productive and are ongoing. *See SEC v. Longfin Corp., et al.*, Case No. 1:18-cv-02977, Letter Motion, ECF No. 114.¹

5. The SEC staff had planned to consolidate its presentation to the Commission any proposed settlement of the SEC's claims against Defendant Meenavalli with the staff's request for authority to request certain remedies against Longfin by way of default judgment.

6. As a result, as of the date of this filing, the SEC staff has not yet received from the Commission authority to seek certain remedies against Longfin.

7. Since the issuance of the Court's August 15, 2019 Order, the SEC staff has commenced the process for seeking the requisite authority from the Commission, and the SEC submits that it will be in a position to file a motion for default judgment in compliance with this Court's individual practices by or before September 6, 2019.

¹ Also due to such settlement discussions, the SEC has not yet filed a motion for the alternative service of the Complaint on Defendant Meenavalli, who we understand to reside overseas. In light of the Court's Order, that motion will promptly follow.

WHEREFORE, the SEC respectfully requests that the Court not dismiss its claims against Longfin Corp. and, instead, permit it until September 6, 2019 to file a motion for default judgment.

Dated: August 19, 2019

Respectfully submitted,

/s/ Stephan J. Schlegelmilch

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Counsel for Plaintiff

CERTIFICATE OF SERVICE

I hereby certify that on August 15, 2019, I filed a copy of the foregoing using this Court's CM/ECF system and thereby caused a copy of the document to be served electronically on all parties of record. Additionally, I hereby certify that I also served a copy of the foregoing by U.S. mail, postage prepaid, as follows:

Longfin Corp.
c/o Legalinc Corporate Services, Inc. (registered agent)
2035 Sunset Lake Road – Suite B-2
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/s/ Stephan J. Schlegelmilch

Counsel for Plaintiff